

PURCHASING POLICY

Preamble

It is recognised that members performing a service such as tutoring will from time to time require new or additional material or equipment to enable them to deliver their program. Office holders may also, from time to time, wish to purchase equipment that they believe would provide an enhancement of the organisation and/or its business. It is in the financial interests of the organisation to ensure that purchasing protocols are put in place and followed.

Purpose

The purpose of this policy is to ensure that appropriate processes and procedures are in place to govern purchases made on behalf of the organisation and to comply with Section 45 of the constitution of U3A in Toowoomba Inc. Advice from U3A in Toowoomba Inc's Auditor has been incorporated into the policy.

Policy

All purchases made on behalf of the organisation must be authorised, pre-approved or within budget.

Every member who purchases on behalf of U3A in Toowoomba Inc. must have appropriate authorisation to purchase.

It is the responsibility of the Management Committee to ensure that tutors and officers are aware of this policy.

Procedure

1. Contracts and Leases

The President, representing the Management Committee is authorised to negotiate and extend lease agreements for facilities where U3A classes and activities are conducted. These premises include but are not restricted to the Toowoomba Philharmonic Society's facility in Matthews Street Toowoomba, Seventh Day Adventist's facility in Greenwattle Street and Harristown State High School swimming pool. The Management Committee will approve the terms of such leases and allow regular payments to the Lessors in accordance with the terms.

2. Recurrent Purchases

The Administration Officer and Members of the Committee must obtain authorisation from the President before ordering recurrent purchases. Upon receipt of the Tax Invoices for these goods and services the Office Administrator and Members of the Committee must certify on the tax invoices that the goods and/or services have been received in good condition, the goods delivered have been checked off against those ordered, the pricing is correct for each item and forward the tax invoices to the Treasurer for payment. All payments to be made by the Treasurer to comply with accounting regulations and auditors.

3. Non-Recurrent Purchases

The Management Committee must approve the pre-purchase of goods and services valued at \$500.00 and above. Ideally this approval will be made at the regular Management Committee meeting with a majority of members voting in favour of the purchase.

If the purchase is urgent, the President will contact members of the Management Committee and provide details of the goods or service required and the cost. Members will indicate to the President if they agree or disagree with the purchase. The purchase will be approved if the majority agree to the purchase.

Tutors wishing to acquire additional or replacement equipment must put their request and an estimate of cost in writing to the Tutor Coordinator for approval or consideration by the Management Committee.

When a request for purchase has been approved by the Management Committee, the Treasurer will be advised of the details of the purchase.

4. Methods of Payment

The Office Administrator and Members of the Committee must certify on the Tax Invoices for payment by the Treasurer that the goods and/or services have been received in good condition, the goods delivered have been checked off against those ordered, the pricing is correct for each item and are due for payment.

At the September 2015 Committee Meeting it was agreed that arrangements be made to provide the Tutor Coordinator with a Heritage Bank Corporate credit card with a \$2,000 limit. This amount was raised to \$5,000 in May 2020. This will allow purchasing of miscellaneous items for U3A more easily, including annual payments.

A Charge Card with a \$2,000 limit is available for purchasing equipment from Officeworks Toowoomba. Those currently with authority are: - President and Tutor Co-ordinator. The Office Administrator has online access. The Treasurer will ensure that the closing balance of the monthly statement will be paid in full by the due date each month.

The cost of unauthorized purchases will not be reimbursed unless the Management Committee considers that the purchase was made in exceptional and extenuating circumstances.

5. Asset Management

Subject to the following paragraph, all authorised purchases become the property of U3A in Toowoomba, Inc. Equipment with a value of over \$500.00 will be tagged and entered into the Asset Register. Certain items considered “Portable and Attractive” with a value of less than \$500.00 will also be included in the Asset Register.

Occasionally the Management Committee may approve the purchase of a piece of equipment to be fixed in a rented facility where classes are conducted and the equipment ultimately becomes the property of the owner of the facility. The Management Committee may approve arrangements that allow the Tutor to enter into an agreement to reimburse the Management Committee for the purchase of the equipment and forego rental of the facility to the value of the equipment.

Related Documents:-

Operational Procedures Record